

BUSINESS MEETING  
BEFORE THE  
CALIFORNIA ENERGY RESOURCES CONSERVATION  
AND DEVELOPMENT COMMISSION

CALIFORNIA ENERGY COMMISSION  
HEARING ROOM A  
1516 NINTH STREET  
SACRAMENTO, CALIFORNIA

MONDAY, JUNE 11, 2001

1:03 P.M.

Reported by:  
Valorie Phillips  
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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMISSIONERS PRESENT

William Keese, Chairman

Robert A. Laurie

Robert Pernell

Arthur Rosenfeld

James Boyd, Ex Officio

STAFF PRESENT

Steve Larson

William Chamberlain

Roger Johnson

Thomas Glaviano

PUBLIC ADVISER

Marija Krapceovich

ALSO PRESENT

Dale E. Mespl  
RAMCO

Shirley F. Rivera, Principal  
Resource Catalysts, RCAT

Josie Lopez-Calderon

Michael Meacham  
City of Chula Vista

Dan Spear  
San Diego Air Pollution Control District

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1 P R O C E E D I N G S

2 1:03 p.m.

3 CHAIRMAN KEESE: I call this meeting of  
4 the California Energy Commission to order.  
5 Commissioner Pernell, would you lead us in the  
6 Pledge, please.

7 (Whereupon, the Pledge of Allegiance was  
8 recited in unison.)

9 CHAIRMAN KEESE: Thank you. We  
10 essentially have one item in front of us today,  
11 item 1, Chula Vista Generating Station Project.  
12 Consideration and possible adoption of the  
13 Committee's proposed decision for the Chula Vista  
14 Peaker Generating Station Project.

15 I also understand that we have somebody  
16 from the City of Chula Vista joining us by phone?

17 MS. LOPEZ-CALDERON: Yes.

18 CHAIRMAN KEESE: Would you identify  
19 yourself for the record, please.

20 MS. LOPEZ-CALDERON: Josie Lopez-  
21 Calderon. I'm a resident.

22 MR. MEACHAM: -- Office, Chula Vista.

23 CHAIRMAN KEESE: Pardon? The second  
24 one?

25 MR. MEACHAM: Michael Meacham with the

1 City Manager's Office in Chula Vista.

2 CHAIRMAN KEESE: Thank you, Mr. Meacham.  
3 Anyone else?

4 Commission Laurie, staff?

5 COMMISSIONER LAURIE: Mr. Chairman, I  
6 had the responsibility of conducting the hearing  
7 on this proposed project.

8 And I would simply ask, Mr. Johnson, do  
9 you want to do this, Mr. Glaviano, do you want to  
10 make the presentation? How would you like to  
11 handle it? I'm ready to go forward with the  
12 public hearing at this time, Mr. Chairman.

13 MR. JOHNSON: Good afternoon, my name is  
14 Roger Johnson. I manage the Siting Office. I'm  
15 here representing Bob Eller, the Project Manager,  
16 who is off on another siting case this afternoon.

17 Staff has reviewed the application that  
18 was filed by RAMCO Chula Vista. Staff's  
19 recommendation that this project be approved with  
20 the conditions of certification that are enclosed  
21 in staff's assessment, and adopted by the proposed  
22 decision.

23 Staff recommends that the permit for  
24 this project be for the life of the project so  
25 long as the project has a contract with the

1 Independent System Operator or the Department of  
2 Water Resources. And at the end of that permit  
3 period, if the project meets certain continuation  
4 criteria, that the license would continue.

5 COMMISSIONER LAURIE: Mr. Chairman, this  
6 project is adjacent to an existing plant. It is  
7 located in an industrial park. We have found that  
8 all environmental impacts have been mitigated,  
9 although the analysis has been done pursuant to  
10 the Governor's Emergency Executive Order.

11 I think the concerns you're going to  
12 hear expressed today deal with two issues that  
13 really were not addressed at the time of the  
14 hearing. The City of Chula Vista had not, as yet,  
15 held a hearing on the matter. In fact, they were  
16 holding a public hearing at the same time that we  
17 were holding our public hearing.

18 I think the concerns you'll hear  
19 expressed today are twofold. One, the region is  
20 concerned about cumulative impacts of the combined  
21 large projects and peaker projects that have gone  
22 in, or have been approved, or are about to be  
23 considered. That's number one.

24 Number two, there's an environmental  
25 justice issue has been raised. I think the region

1 does have a high Hispanic, Latino populations.  
2 And I've noted correspondence from a number of  
3 groups objecting to primarily the cumulative  
4 impact of these projects. Although not  
5 necessarily dealing with this application in  
6 particular.

7 My recommendation, Mr. Chairman, is to  
8 ask the applicant for their presentation. And  
9 then open the public hearing.

10 CHAIRMAN KEESE: Thank you, Commissioner  
11 Laurie.

12 Applicant, would you briefly describe  
13 the project, and particularly any parts of the  
14 project that may -- it would be beneficial if you  
15 would describe any parts of the project that will  
16 come under questioning. But a brief description  
17 of the project.

18 MR. MESPL: Certainly. My name is Dale  
19 Mespl,, representing RAMCO. I have with me one of  
20 my team members, Shirley Rivera, from Resource  
21 Catalysts.

22 The project is a 62.4 megawatt peak load  
23 project, simple cycle which will have operate at  
24 25 ppm with dry low Nox combustors in the phase I  
25 operation. And over the winter we will install

1 SCR system to control the NOx down to 5 ppm by  
2 June of 2002.

3 It's a brownfield site. As Commissioner  
4 Laurie indicated, it already has a project under  
5 construction. In fact, we're in testing right now  
6 for a 44 megawatt phase I of this project.  
7 Requires no new lateral facilities. Gas lines and  
8 transmission lines interconnect facilities are all  
9 in place.

10 It's in a growth area. It meets all of  
11 the City of Chula Vista's zoning requirements.  
12 It's been mitigated. It will have an ISO  
13 contract. And it will be operational by September  
14 30th.

15 That completes my presentation.

16 COMMISSIONER LAURIE: Do you have any  
17 thoughts or comments about the two issues that we  
18 will hear about, either cumulative impact of your  
19 project plus others, and environmental justice  
20 issues? Do you care to comment on either one of  
21 those?

22 MR. MESPLER: I'll comment briefly. On  
23 the cumulative impact issue, as best I understand  
24 it, the Air Pollution Control District has done an  
25 analysis and determined that our project, both the



1 first unit and the second unit, along with the  
2 Otay Mesa Project, the CalPeak Project and the  
3 Larkspur Wildflower Project all combined do not  
4 have a cumulative impact. It does not --

5 COMMISSIONER LAURIE: Do not have a  
6 cumulative significant impact?

7 MR. MESPL: Yes, thank you. So I don't  
8 see a significant issue there.

9 In terms of the environmental justice  
10 issue, which relates basically to the same thing,  
11 I would suggest that our projects actually are a  
12 benefit to the area.

13 Prior to our being on the site it was a  
14 junk yard and had a tremendous amount of trash on  
15 it. And we cleaned it up quite a bit. And I  
16 think it's a benefit to the community.

17 COMMISSIONER LAURIE: And you still have  
18 a couple guard dogs left over.

19 MR. MESPL: We have two, yes. They're  
20 from the junk yard next door.

21 COMMISSIONER ROSENFELD: Mr. Chairman.

22 CHAIRMAN KEESE: Commissioner Rosenfeld.

23 COMMISSIONER ROSENFELD: I have a  
24 factual question. I'm completely unaware of this  
25 project.

1                   You said project I and project II are --

2                   MR. MESPLER: We started, Commissioner,  
3                   two years ago planning peaking projects in the San  
4                   Diego Basin.

5                   Our first unit, which we call Chula  
6                   Vista I, is a 44 megawatt simple cycle turbine  
7                   with SCR control. That was approved by the City  
8                   of Chula Vista September 26th, I believe it was,  
9                   last year.

10                  Our air permit was approved in June of  
11                  2000. And we've been under construction and  
12                  testing since December of 2000.

13                  We started the process for the  
14                  expansion, what we call Chula Vista II, which is  
15                  the subject of today's hearing, just after the  
16                  rules were changed and the Governor signed the  
17                  executive orders.

18                  COMMISSIONER ROSENFELD: But that's a  
19                  separate and additional 62 megawatts?

20                  MR. MESPLER: That is correct.

21                  COMMISSIONER ROSENFELD: Okay, thanks.

22                  CHAIRMAN KEESE: And do I understand  
23                  correctly that you are going to operate the two  
24                  facilities under the emission limits that you were  
25                  approved for on the first project?

1 MR. MESPL: That's correct.

2 CHAIRMAN KEESE: So it --

3 MR. MESPL: It will not exceed the 50  
4 tons per year, that's correct.

5 CHAIRMAN KEESE: Thank you.

6 COMMISSIONER LAURIE: That's all I have,  
7 Mr. Chairman.

8 CHAIRMAN KEESE: Thank you. Does staff  
9 have anything else to add at this time?

10 MR. JOHNSON: We have one errata,  
11 Chairman, but I can't find it.

12 CHAIRMAN KEESE: Well, why don't you  
13 hold off and we'll hear from our -- do we have  
14 anybody in the audience who cares to speak to this  
15 issue?

16 Can we hear from the City of Chula  
17 Vista?

18 MR. MEACHAM: Mr. Chair and  
19 Commissioners, if it's okay I would like to let  
20 Ms. Calderon from the public go first.

21 CHAIRMAN KEESE: All right. Can we hear  
22 from the member of the public? Do we have a  
23 member of the public?

24 MS. LOPEZ-CALDERON: Yes, this is Josie  
25 Calderon. Would you like me to speak now?

1                   CHAIRMAN KEESE:   Yes.   Now is a good  
2                   time.

3                   MS. LOPEZ-CALDERON:   Okay.   I am one  
4                   that rode along with approximately 14, 15 other  
5                   Latino organizations.   We came late into it in  
6                   that we weren't aware of the project till maybe  
7                   three or four days before the public period.   So,  
8                   I apologize for that, or we would have had people  
9                   up there.

10                  Unfortunately, while the public hearing  
11                  was going on we were in the Chula Vista public  
12                  hearing, and there was at least 30 of us over  
13                  there.

14                  I have become aware that the Air Quality  
15                  Control Board is looking at doing a study of the  
16                  cumulative effects.   My concern is whether they're  
17                  taking into consideration the future burning of  
18                  the fuel oil at the South Bay Power Plant without  
19                  the constraints of pollution limits.

20                  Because my understanding is that they're  
21                  not going to do that.   And so I would like for  
22                  someone to answer me if that's, in fact, part of  
23                  the cumulative study that's going to be taking  
24                  place.

25                  CHAIRMAN KEESE:   Let me approach the

1       subject this way. Number one, I believe the  
2       RAMCO, in suggesting this project, is suggesting  
3       they will live with the limit they were given for  
4       their previously approved project, which would --  
5       and they are going to ratchet down the hours of  
6       operation to meet that limit, which would seem to  
7       indicate that we were not going to get any more  
8       emissions from the approved limits of this first  
9       plant, in approving this plant.

10               Secondly, we at the Commission have  
11       dealt with the issue of the potential operation of  
12       San Diego power plants on other than natural gas  
13       in the past. And it's a tenuous connection. I  
14       will ask staff to comment on the issue.

15               But these plants and the other plants in  
16       San Diego are meant to operate on natural gas  
17       unless we are in an exceptional circumstance in  
18       which there is a curtailment of natural gas.

19               I'm not sure that rises to the level of  
20       something that would be analyzed as far as regular  
21       generation of electricity. Staff, would you like  
22       to --

23               MR. JOHNSON: The staff has been in  
24       contact with the Air District, and we understand  
25       that the Air District has done the cumulative

1 impacts modeling for this project, in addition to  
2 the other peaker projects and the Otay Mesa  
3 Project that are proposed in the southern San  
4 Diego County area.

5 The District did inform us that they  
6 were not planning to include the emissions from  
7 the South Bay Project, as they believe that's part  
8 of the background information of the existing air  
9 quality.

10 CHAIRMAN KEESE: The specific question  
11 at this time is are they taking into consideration  
12 the burning of fuel oil which might take place  
13 were there a curtailment of gas. And is that --  
14 I'm wondering if that rises to the level of  
15 something that would be analyzed in this case.

16 MR. JOHNSON: I don't know the answer to  
17 that. I've requested that Mr. Glaviano contact  
18 the Air District and see if they would call in to  
19 this hearing right now, and address this issue of  
20 the cumulative impacts analysis that they  
21 performed.

22 CHAIRMAN KEESE: So we've asked them  
23 right --

24 MR. JOHNSON: We're trying to get them  
25 to call in.

1                   CHAIRMAN KEESE: All right. Well,  
2                   that's the best answer I can give, then, Ms.  
3                   Calderon.

4                   MS. LOPEZ-CALDERON: Okay, because that  
5                   is a major concern to us. We do know that we  
6                   don't have enough gas, with the Otay Mesa Power  
7                   Project coming on line, and going to make it even  
8                   more difficult to have enough natural gas.

9                   And our concern is that the South Bay  
10                  Power Plant has already run a number of days on  
11                  fuel, and what cumulative impact all of this has.

12                 We also haven't had an opportunity to  
13                 review the -- if the Air Quality Control District  
14                 did, in fact, complete their cumulative study, we  
15                 have not had an opportunity to look at that.

16                 So we'd like an opportunity to look at  
17                 that. And, you know, considering the South Bay  
18                 Power Plant and its burning of fuel.

19                 And then we also would like addressed  
20                 why would the California Energy Commission find it  
21                 necessary to site approximately 80 percent of the  
22                 generating facilities in the South Bay, a poor  
23                 area of San Diego that's struggling to survive  
24                 just like everybody else under this crisis.

25                 COMMISSIONER LAURIE: Mr. Chairman, --

1       this is Commissioner Laurie -- let me respond to  
2       the question of cumulative impacts as it relates  
3       to oil burning from South Bay.

4               I think the analysis conducted in the  
5       Otay Mesa case is directly applicable. The facts  
6       are the same. The circumstances are the same.  
7       And certainly information being discussed today  
8       was considered very scientifically.

9               We recall during the Otay Mesa case  
10       there was a great deal of very professional  
11       discussion under oath in the form of testimony  
12       that was presented in that case. And a great deal  
13       of detail in the decision that was rendered in  
14       that case.

15              Upon analysis the Commission found that  
16       one, there is an adequate gas supply. Whatever  
17       temporary shortages are perceived will be  
18       temporary only. Gas supply potential will be  
19       increasing rather than decreasing.

20              And even such today, because of the  
21       limitations placed on South Bay, will not unduly  
22       impact, even on a cumulative basis, air quality to  
23       the minimum extent that oil might be burned out of  
24       South Bay.

25              So, if you look at the cumulative impact



1 analysis in Otay, such is directly applicable, and  
2 easily transferrable to this case.

3 In regards to the question of why power  
4 plants are being sited in the south. I don't know  
5 if the number is 80 percent. I haven't looked at  
6 that.

7 The Energy Commission doesn't plan for  
8 that. The Energy Commission receives  
9 applications. And we process such accordingly.  
10 And we have not, as a matter of policy, sought to  
11 encourage or discourage from any particular  
12 geographical area.

13 To the extent that the location of a  
14 great deal of new power is located in an area of  
15 high minority population, or high poor population,  
16 you do run into environmental justice issues.

17 I am satisfied that in this particular  
18 case, given the fact that all impacts have been  
19 mitigated, that environmental justice issues,  
20 which must be environmentally related, have no  
21 basis.

22 Although I understand the concern and  
23 the perception, but I don't know how to deal with  
24 the perception. All I can deal with is the facts  
25 and the record. And the facts that have been

1       presented, which I'm satisfied with, do indeed  
2       reflect that all impacts have been satisfactorily  
3       mitigated. And all testimony is consistent with  
4       that.

5               Thus, I believe there is no viable  
6       environmental justice issue. Although, you know,  
7       perception is important, and to the extent that  
8       any given group believes that they're being  
9       targeted, I believe that at some point they  
10      deserve an answer.

11             But as a legitimate issue in this case,  
12      I believe it is not.

13             CHAIRMAN KEESE: Thank you. We had  
14      somebody join us by phone?

15             MR. SPEAR: Hello, this is Dan Spear  
16      with the Air Pollution Control District.

17             CHAIRMAN KEESE: Thank you. This is  
18      Bill Keese at the Energy Commission, and we've  
19      been conducting our hearing here. We've had a few  
20      comments.

21             I'd ask our staff to indicate what the  
22      conversation was, and what the question we were  
23      going to ask you was. Roger.

24             MR. SPEAR: All right, go ahead.

25             MR. JOHNSON: The question was whether

1 or not the South Bay Power Plant was included in  
2 your cumulative air impacts analysis.

3 And whether or not you specifically  
4 considered the number of hours that the project  
5 could be burning fuel oil instead of natural gas.

6 MR. SPEAR: Well, all but one of the  
7 projects is exclusively natural gas. However, the  
8 only cumulative analysis we have so far is one  
9 assuming all five of the new plants, proposed  
10 peaker plants, to be at full capacity on natural  
11 gas.

12 We have included the South Bay Power  
13 Plant in what we consider to be in the background  
14 of our air monitoring station. And that was used  
15 as a mode of comparison to conduct the cumulative  
16 impacts.

17 We are in the process right now of  
18 finishing up an additional phase of this  
19 cumulative impact where we assume the one plant  
20 that does have alternate oil, or diesel as a fuel  
21 during natural gas curtailments, to determine  
22 whether or not that could cause a problem.

23 CHAIRMAN KEESE: Thank you. Ms.  
24 Calderon, I believe that answers your question?

25 MS. LOPEZ-CALDERON: Yes. And I would

1       like for the Commission to respectfully consider  
2       holding off making a decision until we have the  
3       study to review, and to be able to answer the  
4       questions that have not been able to answer, and  
5       that's what the impacts would be to our South Bay  
6       residents.

7               CHAIRMAN KEESE:   Well, Ms. Calderon, I  
8       understand your respectful request.   We have a  
9       process for siting power plants that is much  
10      longer than the 21 days that we're currently using  
11      for this power plant.

12             However, the constraints that are placed  
13      upon us at the Energy Commission are the Governor,  
14      as you've undoubtedly seen, from the proposed  
15      decision and application, the Governor has  
16      declared a state of electric emergency.   He has  
17      instructed us to review proposals that can assist  
18      the grid by being on line by September 30th.   And  
19      he has instructed us to handle those cases in the  
20      21 day period.

21             We are not varying our environmental  
22      analysis, but it does pretty much prevent us from  
23      taking the luxury of additional time to wait for  
24      additional reports.   Our staff does a fatal flaw  
25      analysis.   Commissioner Laurie held a hearing, has

1       looked at all the impacts. And has said there are  
2       no environmental impacts here that have not been  
3       mitigated.

4               With that, it is not an option to us to  
5       delay and wait for a subsequent report to come in.  
6       Commissioner Laurie.

7               COMMISSIONER LAURIE: Mr. Chairman, if I  
8       may, I would differ somewhat in a response.

9               With all due respect to the Governor's  
10       Executive Order, if I felt the evidence was  
11       incomplete then I'd have no hesitancy in  
12       continuing this matter. I'd have no hesitancy in  
13       denying the application.

14              But, in fact, I do not believe that the  
15       evidence is incomplete. And the reason I don't  
16       believe that is Commissioner Pernell and I sat in  
17       on the Committee on Otay. And those hearings were  
18       lengthy. And, again, they were scientific to the  
19       point that we became extremely knowledgeable about  
20       the impacts of the South Bay Plant and the  
21       cumulative impacts in the region.

22              And it is based upon that information.  
23       And I wouldn't even mind incorporating by  
24       reference the information contained in Otay as  
25       part of this project. I'd be interested in

1 staff's response to that.

2 But, clearly the information and the  
3 evidence is the same. And so it's on that basis  
4 that I'm prepared to move forward today. And not  
5 the fact that we have some theoretical time  
6 constraint.

7 CHAIRMAN KEESE: Thank you. Do we have  
8 any other witnesses who care to testify on this  
9 issue?

10 MS. KRAPCEVICH: I do have a letter from  
11 the Environmental Health Coalition that I'd like  
12 to read into the record. Would this be the time,  
13 or wait until the teleconference call is over?

14 CHAIRMAN KEESE: I believe we have the  
15 letter in front of us. Each of the Commissioners  
16 has the letter in front of us. So if you could  
17 reference it by date and give us a brief synopsis,  
18 just a summary of it. I don't think we need to  
19 read the whole letter into the record.

20 MS. KRAPCEVICH: Okay, this is a letter  
21 that is addressed to Bob Eller at the California  
22 Energy Commission, dated June 11, 2001. And it is  
23 from the Environmental Health Coalition, Coalicion  
24 de Salud Ambiental, and it's from Melanie  
25 McCutchan, Air Toxics Policy Associate.

1                   And I really haven't had a chance to  
2           look over this, but she wanted to make additional  
3           comments on our concerns regarding the cumulative  
4           impacts of the RAMCO and other existing or planned  
5           projects.

6                   And she has referenced to according to  
7           CEC's staff assessment, the APCD, which stands for  
8           Air Pollution Control District, is completing a  
9           cumulative impacts analysis of emissions from the  
10          RAMCO and PG&E peaker plants, the Wildflower  
11          Larkspur Project, the Otay Mesa Generating  
12          Project, and the CalPeak border facility.

13                   The analysis will not include emissions  
14          from the South Bay Plant. According to the CEC  
15          Staff assessment and my discussions with the  
16          District, the reason for not including the South  
17          Bay plant is that the plant's emissions are  
18          already accounted for in the background  
19          concentrations used to evaluate air quality  
20          impacts.

21                   She also goes on to say that an analysis  
22          using the 1996 and 1998 monitoring data to account  
23          for impacts from the South Bay plant disregards  
24          the impacts of one of our greatest areas of  
25          concern, fuel oil burning at the South Bay plant.

1                   The San Diego region is subject to  
2                   serious constraints in natural gas supplies  
3                   resulting in curtailments of natural gas to the  
4                   South Bay Power plant that have forced the plant  
5                   to burn fuel oil on several occasions over the  
6                   past year.

7                   With existing natural gas burning  
8                   generation running at higher than normal levels,  
9                   and approximately 400 megawatts of new natural gas  
10                  burning projects likely to be built within the  
11                  next half a year in San Diego, the future burning  
12                  of fuel oil at the South Bay plant without the  
13                  constraints of pollution limits is a virtual  
14                  certainty.

15                  CHAIRMAN KEESE: Yes, I understand that  
16                  concern. And essentially that is the -- she has  
17                  expressed the same concern as Ms. Calderon raised.  
18                  And I believe Commissioner Laurie has dealt with  
19                  that --

20                  MS. KRAPCEVICH: Okay, I just wanted to  
21                  make sure --

22                  CHAIRMAN KEESE: -- quite adequately,  
23                  so --

24                  MS. KRAPCEVICH: -- that this gets  
25                  entered into the record. Thank you.



1                   CHAIRMAN KEESE:  It's entered in the  
2                   record.

3                   Do I have a motion?

4                   COMMISSIONER LAURIE:  Did the  
5                   representative from Chula Vista want to comment?

6                   MR. MEACHAM:  Yes, I would.

7                   CHAIRMAN KEESE:  Back to you, Chula  
8                   Vista.

9                   MR. MEACHAM:  Commissioners and Staff,  
10                  the purpose of my comments today are to express  
11                  the City of Chula Vista's opposition to the  
12                  proposed certification of the RAMCO Peaker Plant  
13                  No. II, proposed to be located at 3497 Main Street  
14                  in Chula Vista.

15                  I have sent an email and faxed a copy of  
16                  my comments, of the City comments, rather, to the  
17                  Chair and to the lead staff.  I don't know if you  
18                  have received those, or if you have them in front  
19                  of you.

20                  CHAIRMAN KEESE:  Not yet.

21                  MR. MEACHAM:  Okay, I'll go ahead and go  
22                  over them in detail, then.

23                  The City appreciates the --

24                  CHAIRMAN KEESE:  When were those sent?

25                  MR. MEACHAM:  It was sent earlier this

1 morning.

2 CHAIRMAN KEESE: Thank you.

3 MR. MEACHAM: The City appreciates the  
4 gravity of the current energy crisis and the fact  
5 that the Governor has expedited the siting of  
6 peaker plants as a way of alleviating the crisis.

7 However, the City believes that the  
8 proposed peaker facility is not a solution to the  
9 summer's reliability and supply problems, and  
10 poses undue impacts on the region under the  
11 circumstances.

12 The fact that this plant will not be  
13 completed until September 30, 2001, at the  
14 earliest, it will not be operating in time to meet  
15 the need addressed under the executive order  
16 suggests that it should not be expedited. The  
17 community should be given the time it needs to  
18 thoroughly review the applicant's request, and  
19 context with the other energy projects within the  
20 region.

21 There may now be six peak load power  
22 generation stations on the Otay Mesa River Rim  
23 area within a mile or two of the Otay Mesa and the  
24 South Bay generating plants. Two dual-fuel  
25 generators at the Larkspur facility; two CalPeak

1 plants, and should this plant be approved, two on  
2 Main Street in Chula Vista.

3 The City has already approved a maximum  
4 of 49 megawatt peak load electrical power  
5 generating facility at the site. The facility's  
6 nearing completion and should be operational in a  
7 very near future. In fact, I've been at the site  
8 when it's been tested last week.

9 Although this first facility was  
10 approved only eight months ago, there are  
11 dramatically different circumstances surrounding  
12 the second plant.

13 The project was approved under the City  
14 of Chula Vista's normal permitting process with  
15 appropriate environmental review and land use  
16 approvals.

17 The CEC's February 2001 report to the  
18 Governor for 2001-2003 identified the San Diego  
19 area as one that might benefit from peaker plants,  
20 but indicated that all potential sites in the area  
21 are questionable due to limited supplies of  
22 natural gas.

23 The report went on to say that the  
24 backbone of the natural gas system in San Diego  
25 area is at its limits. As the CEC knows, natural

1 gas curtailment caused by South Bay plant to  
2 divert to more polluting fuel for parts of this  
3 past December and January, approximately 13 days.

4 The City believes that the CEC Staff was  
5 correct in their February 2001 report, and  
6 recognized that the 150 megawatts of proposed  
7 peaking capacity, those are already scheduled to  
8 be on line by July 1, 2001, within a mile or two  
9 of existing 709 megawatt power plant is more than  
10 sufficient to meet the voltage and other local  
11 load needs these facilities can provide given the  
12 area's natural gas and transmission limitations.

13 It should also be noted the applicant  
14 indicated that the second unit was not originally  
15 contemplated to be built in the foreseeable  
16 future. However, they reconsidered their  
17 development schedule after the Governor's  
18 expedited review process was in place.

19 Given the recent approval of the 510  
20 megawatt Otay Mesa plant, and the greater need for  
21 the 709 megawatt South Bay Power Plant to be  
22 rebuilt on the Bay front, there is a legitimate  
23 concern that the South Bay region is being asked  
24 to shoulder an unfair and a disproportionate share  
25 of the energy crisis burden for the Greater San

1       Diego Area.

2               The City respectfully requests the CEC  
3       to decline to approve the applicant's request for  
4       expansion at the 3497 Main Street location and  
5       submits the following concerns:

6               Under cumulative impacts, the San Diego  
7       Air Pollution Control District conducted an air  
8       quality analysis on the first peaker plant and  
9       incorporated it as part of the description for the  
10      cumulative impact issue addressed. The unit was  
11      found to be in compliance with the air basin  
12      standards and the CEQA process.

13              However, with respect to the second  
14      RAMCO peaker plant, the APCD is presently in the  
15      process of preparing a report regarding the  
16      cumulative impacts of the power plant to the South  
17      Bay air basin.

18              Under normal CEQA review process the  
19      project would be required to be placed on hold  
20      until the final results of the APCD report were  
21      made available. However, within the 21 day review  
22      process now in place, the CEQA process has been  
23      suspended and thus not permitting the results of  
24      the cumulative analysis to be known on a timely  
25      basis to properly evaluate the project.

1                   And, by the way, we requested those as  
2                   recently as Thursday and Friday and they were not  
3                   available for the public yet, nor the City.

4                   Natural gas consumption. Another major  
5                   concern relates to the less efficient use of  
6                   natural gas occurring at the time when there are  
7                   growing concerns about the limitations of the  
8                   natural gas delivery system and the overall supply  
9                   of natural gas at the region.

10                  Approval of yet another peak load  
11                  facility in the region adds another relatively  
12                  inefficient natural gas user as compared to the  
13                  production of electrical power by larger natural  
14                  gas and combined cycle plants.

15                  The recently approved Otay Mesa plant is  
16                  a combined cycle unit that produces approximately  
17                  510 megawatts of power. The data supplied in the  
18                  applications for the Otay Mesa facility and two  
19                  Main Street peaker facilities illustrates the  
20                  proposed Main Street facilities would use two to  
21                  three times as much natural gas as would the Otay  
22                  Mesa plant to generate a comparable amount of  
23                  electricity.

24                  The City is not suggesting that peaker  
25                  plants do not serve some purpose to enhance the

1       system reliability, just indicating that after  
2       balancing all the considerations, the proposed  
3       peaker plants do not appear to be the most fuel  
4       efficient or environmentally appropriate  
5       generation.

6               The CEC Staff report recognized the  
7       limitations on natural gas supply in the area.  
8       The City believes that the CEC report  
9       appropriately considered the potential impacts  
10      this and the other peaker plants in the immediate  
11      area will have on the curtailment of natural gas  
12      for the South Bay facility and the resulting  
13      degradation in air quality that result if it is  
14      forced to run on more polluting fuels.

15             The efficient use of natural gas,  
16      diversification of our power sources, is critical  
17      to the Governor's stated goals of reducing costs,  
18      eliminating blackouts, and keeping utilities  
19      solvent. By concentrating on repowering and  
20      potential increasing the productivity of existing  
21      larger plants in an environmentally appropriate  
22      way can generate more power with less impact to  
23      the environment than our local communities who are  
24      using far less natural gas.

25             It was mentioned earlier by one of the

1 Board Members that this was similar to the Otay.  
2 Again I'd like to point out that these peaker  
3 plants are two to three times less efficient, and  
4 they're combined cycle plants. This is a single  
5 cycle plant.

6 Under environmental impact inequities, a  
7 great deal of information on chemical, thermal and  
8 noise pollution controls, as well as fuel  
9 consumption, transmission requirements, are  
10 available for the City's review on individual  
11 facilities based on project-by-project basis.

12 However, staff has not had the time to  
13 develop, nor is there data or analysis available  
14 indicating the expectations of what the likely  
15 impact to the system and region will be as each  
16 project is proposed.

17 Additionally, while existing CEC, APCD  
18 and other regulatory controls are referenced by  
19 the project applicant as the community's  
20 protection against excessive increases in  
21 chemical, noise and thermal pollution, and the  
22 communities are concerned about what appears to be  
23 a trend to relax environmental restrictions in  
24 favor of relief from system reliability issues and  
25 higher costs for consumers.



1                   As an example, 709 megawatt South Bay  
2                   Power Plant experienced 13 days of natural gas  
3                   curtailment this past December and January long  
4                   before any of the six less efficient natural gas  
5                   peaker plants, and the 510 megawatt Otay natural  
6                   gas facility have come on line.

7                   The plant was required to burn oil  
8                   during this period with significant adverse impact  
9                   on the local air quality.

10                  A very important additional note. This  
11                  Board and the CEC is relaxing the NOx standard to  
12                  allow the proposed facility to operate between  
13                  September 30, 2001 and June 30, 2002. I would  
14                  submit to the Board that you would not meet the  
15                  September 30th deadline, and certainly did not  
16                  meet the original July 1st deadline, if you  
17                  weren't relaxing those NOx standards to go from 5  
18                  to 25 ppm.

19                  Staff does not raise these issues to  
20                  challenge whether reliability and hardship caused  
21                  by our energy costs are in fact legitimate  
22                  concerns, but whether or not Chula Vista and the  
23                  residents of the Otay region are being asked to  
24                  shoulder a disproportionate share of burden to  
25                  address those issues on behalf of the region.

1                   Public convenience and necessity. One  
2                   of the CEC's consideration in certifying  
3                   applications of plants with applicable state,  
4                   local or regional standards, ordinances or laws.

5                   If compliance cannot be found under  
6                   Public Resources Code section 25525, the CEC must  
7                   determine that the facility's required for the  
8                   public convenience and necessity, and that there  
9                   are not more prudent and necessary means of  
10                  achieving such public convenience and necessity.

11                  The City's view is that this finding  
12                  cannot be made. The project will not be completed  
13                  in time to service the summer emergency needs  
14                  identified by the Governor as the basis for the  
15                  expedited process without relaxing those NOx  
16                  standards.

17                  This facility will not be up and running  
18                  by either the original date for emergency facility  
19                  operations of July 1, 2001, or the expanded date  
20                  of September 30, 2001.

21                  In fact, without reductions in air  
22                  quality regulations that allow the plant to  
23                  operate without a catalytic converter, increase  
24                  the generation of NOx approximately fivefold. The  
25                  facility would not operate at all until next

1 summer.

2 It therefore does not provide the urgent  
3 need for reliability that was expressed to staff  
4 by the CEC and the applicant at the time staff  
5 recommended approval of the first plant.

6 Staff believes that before next summer  
7 the second generator at San Onofre plant will have  
8 come back on line; the fourth generator at South  
9 Bay plant will have completed its air quality  
10 retrofits, and be back on line.

11 The APCD will have sufficient time to  
12 complete their cumulative impact reports and the  
13 residents and businesses will have a chance to  
14 demonstrate how well they respond to energy  
15 conservation such as tier pricing, increases in  
16 pricing and a variety of programs already approved  
17 by the state.

18 The City of Chula Vista respectfully  
19 requests the Commission decline to certify the  
20 RAMCO facility expansion application on the  
21 grounds the City has outlined of:

22 Should the CEC decide to find in favor  
23 of the City on these grounds, or any other  
24 appropriate finding available to the Commission,  
25 the City recommends the CEC approval of the

1 proposed expansion be contingent upon the  
2 following:

3 Before I read that I'm actually going to  
4 go to some other items that we addressed later  
5 with the City Attorney.

6 The CEC Staff proposes NOx reduction to  
7 5 ppm no later than June 1, 2002. In the interim,  
8 the plant runs at 25 ppm, NOx emissions should be  
9 reduced sooner. If the permit's for longer than  
10 three years, the City believes that the 5 ppm  
11 standard should not be exceeded.

12 The notion that peaker plants are  
13 necessarily to keep electricity reserves above 7  
14 percent, the threshold for shutting off  
15 interruptible business consumers, is based on a  
16 projection of high temperature with only a 10  
17 percent chance of occurring.

18 This is a poorly defined emergency to  
19 warrant such an extraordinary permit process. The  
20 CEC Staff has indicated verbally that the peak  
21 summer season will last until October 13th. This  
22 plant won't be ready until September 30th, if  
23 then. By next summer many repaired and new more  
24 efficient plants will be on line and we'll be in a  
25 better position to determine the extent to which

1 conservation and other more temporary and benign  
2 measures have worked to minimize reliability  
3 issues.

4 The ISO has already indicated that  
5 consumers conserved 11 percent of the state's  
6 total generation in May long before the proposed  
7 increases and tiered rates have had a chance to  
8 further increase conservation levels.

9 Under these circumstances the Commission  
10 cannot find that all reasonable conservation  
11 allocation and service restriction measures may  
12 not alleviate an energy supply emergency. It must  
13 make this finding to properly invoke its emergency  
14 authority to approve the project under expedite  
15 process. And that was on page 2-3.

16 The CEC Staff reports as follows:  
17 Although it is impossible to accurately calculate  
18 the likelihood of system outages, such outages are  
19 certainly plausible and are much greater without  
20 new generation resources in most California  
21 service areas.

22 There's no backup evidence afforded for  
23 this conjecture or an application of the statement  
24 to -- service area for the proposed project.  
25 Under such circumstances the expedited process

1       should not apply. And that was on page 3.

2               The CEC Staff report discusses heat wave  
3 risks and benefits of air conditioning to offset  
4 these risks. The report notes that the new peaker  
5 plants will reduce these risks and create fewer  
6 problems than they reduce. Again, there is no  
7 project specific analysis of these assertions on  
8 page 3.

9               One site backup generators are dismissed  
10 as isolated from the grid -- excuse me, on site  
11 backup generators. But to the extent they reduce  
12 demand on the grid, they, too, should enhance  
13 system reliability. Was any study done of  
14 available capacity in the San Diego area, as  
15 opposed to statewide? And in fact, there is,  
16 according to San Diego Gas and Electric and the  
17 item recently approved by the PUC, I believe, on  
18 Friday, there's up to 50 megawatts of power  
19 available.

20              Differences in area emissions between a  
21 combined cycle and simple cycle plant are  
22 cryptically outlined on page 5 of your report.  
23 Peaker plant capacity is not defined, so one can't  
24 really compare. The RAMCO plant is not  
25 specifically discussed at all.

1           The APCD preliminary results suggest  
2           cumulative impacts will not violate air quality  
3           standards, but the actual APCD report is not to be  
4           made available until June 11th. We're hoping to  
5           get it later today.

6           The City and the public needs more time  
7           to review and analyze this report to understand  
8           its findings, and to comment on them to the CEC.  
9           The CEC can't make an informed decision without  
10          full consideration of this report on your item  
11          page 6.

12          Under land use this report's discussion  
13          of land use issues is inadequate. It refers only  
14          to citizen groups and not to formal opposition  
15          adopted by the City of Chula Vista Council on June  
16          5, 2001. Exclusive jurisdiction is declared as if  
17          the local jurisdiction's comments do not matter.

18          But the project must comply with local  
19          laws, ordinances, regulations and standards.  
20          According to the City's local ordinances,  
21          regulations and standards, and the conditional use  
22          process and the owner participation agreement  
23          would be required for this use. The City Council  
24          has indicated that would make the required  
25          findings to support a CUP based on changes,

1       circumstances and knowledge to the previous  
2       approval of unit 1.

3               These findings are: One, that the  
4       proposed use of the location is necessary or  
5       desirable to provide service of facility which  
6       will contribute to the general well being of the  
7       neighborhood or the community.

8               Two, that such use will not, under the  
9       circumstances of the particular case, be  
10      detrimental to the health and safety or general  
11      welfare of persons residing or working in the  
12      vicinity, or injurious to property or improvements  
13      in the vicinity.

14              That the proposed use will comply with  
15      the regulation and conditions specified in the  
16      code for such use. That the granting of the  
17      special use permit will not adversely affect the  
18      general plan of the City or the adopted plan of  
19      the governmental agency.

20              Therefore, the local ordinance and  
21      regulations compliance cannot be established.  
22      Where LORS compliance does not exist, the CEC must  
23      find, under Public Resources Code 25525, that this  
24      facility is required for the public convenience  
25      and necessity, and that there are not more prudent



1       and necessary means of achieving such public  
2       convenience and necessity.

3               This finding cannot be made where the  
4       project will not be completed in time to meet the  
5       summer peak demand, and other measures with lower  
6       adverse impacts that may prove successful in the  
7       interim.

8               And there are environmental justice  
9       issues, spreading the terms of impacts on minority  
10      and low income populations in the vicinity. The  
11      report indicates the project mitigation measures  
12      will avoid significant adverse impacts so no  
13      injustice will occur.

14              But it is the South Bay with a number of  
15      areas that tend to have higher minority  
16      populations and more lower income residents than  
17      other parts of the service area that is being  
18      asked to bear the brunt of peaker plant  
19      installations in the service area.

20              And by the way, the numbers that were  
21      mentioned earlier by Ms. Calderon, 80 percent of  
22      the power, the new power in San Diego County  
23      currently on the books and approved by the CEC is  
24      in the South Bay. That's 75 percent of the total  
25      plants. By far, the vast majority of any large

1       plants.

2               The proposed term of certification is  
3       for the life of the project. How is this defined?  
4       What if the project is not operated for a certain  
5       period of time? Is it considered abandoned with  
6       the new permit? Will a new permit be required?  
7       Where do these life-of-project criteria come from?

8               The three-year report of compliance  
9       requirement there's not sufficient limitation. It  
10      should be replaced with a three-year permit  
11      limitation.

12              Also in our fax we attached a  
13      resolution, but I would like to read into the  
14      record one last relatively short item.

15              And that is what I alluded to earlier,  
16      these are the items that if the CEC does choose to  
17      recommend approval in spite of the City's  
18      comments, we would like to ask for these  
19      conditions:

20              All conditions adopted by the agency for  
21      phase one will be incorporated and adopted for  
22      phase two. The sound wall built on the south side  
23      of the property will be built around the entire  
24      perimeter of the site to buffer the sound effects  
25      in all directions.

1                   Item three, the term of the CEC approval  
2                   be limited to three years. If approved for a  
3                   period longer than three years, reduce the NOx  
4                   emissions to 5 ppm immediately.

5                   The applicant should be required to make  
6                   a significant contribution to local renewable  
7                   energy products or mobile air emission retrofit  
8                   funding to at least partially mitigate adverse air  
9                   impacts.

10                  Require that if the applicant violates  
11                  the 2001 emission standards and is not required to  
12                  pay a penalty to the APCD or comparable authority,  
13                  then the applicant shall be required to pay the  
14                  penalty amount to the City of Chula Vista for  
15                  Chula Vista South Bay Regional Air Pollution  
16                  Mitigation projects.

17                  The selective catalytic reduction  
18                  pollution control equipment should be installed at  
19                  the earliest possible specified date. The  
20                  proposed June 1, 2002 date is too relaxed a  
21                  standard.

22                  Any future applications of this type by  
23                  RAMCO or any other entity should be processed  
24                  locally or at least in a more extensive CEC  
25                  process that includes a more complete CEQA review

1       than the public process.

2               Mr. Chair and Staff and Board Members,  
3       that concludes my comments. And I appreciate your  
4       patience.

5               CHAIRMAN KEESE: Thank you. Actually I  
6       was checking my email until the moment I came down  
7       here, and I did not get this. It would have been  
8       much easier to handle if we had it in front of us.

9               Counsel, were any issues raised that you  
10      felt we had not covered in Commissioner Laurie's  
11      presentation?

12              MR. CHAMBERLAIN: Well, it is difficult  
13      for me to evaluate based on what I just heard.  
14      The suggestion that the project does not comply  
15      with local ordinances, if that were the case then  
16      I would suggest that a finding, if the Commission  
17      were to proceed today, that a finding under  
18      section 25525 would be appropriate.

19              COMMISSIONER LAURIE: Mr. Chairman, I  
20      have a concern because we don't have the  
21      information in front of us. And the documentation  
22      obviously is fairly lengthy and specific.

23              Question to Mr. Johnson: Let's assume  
24      for a moment that you had Chula Vista  
25      correspondence in your hands in the next two

1 minutes or so. Would your staff have an ability  
2 to review and respond by Wednesday?

3 MR. JOHNSON: Yes, we could.

4 COMMISSIONER LAURIE: Mr. Chairman, I'd  
5 like to have the Commission give consideration to  
6 continuing this matter to the business meeting on  
7 Wednesday to provide staff and legal counsel an  
8 opportunity to review and make us aware of any  
9 potential legal concerns or legitimate  
10 environmental issues raised.

11 CHAIRMAN KEESE: Mr. Chamberlain.

12 MR. CHAMBERLAIN: I just wondered if the  
13 applicant had a comment on whether there were  
14 significant adverse consequences to a two-day  
15 delay.

16 MR. MESPLA: Two days longer in the  
17 process, and trying to get this project on line as  
18 soon as possible obviously is a day-by-day  
19 situation.

20 I'd like to make one observation. The  
21 first project, Chula Vista I, was processed  
22 through the City of Chula Vista process. There  
23 was a full environmental study done. There was a  
24 negative, mitigated negative declaration completed  
25 and adopted by the City. And we have stipulated

1 in our application to meet those same conditions.

2 So, from my perspective, we've met the  
3 legal requirements of the local agencies.

4 MR. MEACHAM: Mr. Chair and Board of  
5 Commissioners, if I may, this is Michael Meacham  
6 again.

7 Mr. Mespl, did, in fact, say that. At  
8 the time we had approved that first plant there  
9 was not the final on the Otay Mesa plant. There  
10 was absolutely no knowledge of four additional  
11 peaker plants, two of them that run on dual fuel.  
12 And also the catalytic converter on the first  
13 facility is not being planned for the second  
14 facility until next summer.

15 This facility would not qualify under  
16 the expedited process and meet the September 30th  
17 date if it wasn't for that relaxation of local air  
18 quality standards. And that is the type of thing  
19 that both our residents and businesses and the  
20 City are concerned about.

21 CHAIRMAN KEESE: Thank you.

22 MR. MESPL: I'd like to respond to  
23 that. We have stipulated in our application that  
24 we would reduce the number of hours of both units  
25 to stay within the limits of the originally

1 approved air permit.

2 And so from a total impact standpoint  
3 we're not adding to the basin.

4 MR. MEACHAM: Mr. Mespl, has been very  
5 fair about expressing those concerns, and has been  
6 very professional to work with. However, the date  
7 that the state or the local Air Pollution Control  
8 District chooses to relax those standards, either  
9 at this plant or any one of the other seven plants  
10 currently planned for our area, those standards  
11 and the impact to the residents change completely.  
12 And in fact that has occurred to some extent  
13 already.

14 CHAIRMAN KEESE: Do any of the other  
15 Commissioners have comments?

16 Commissioner Laurie, I think I tend,  
17 despite what I said earlier about the necessity of  
18 expediting these plants, I do tend to agree with  
19 you. I believe that we have the opportunity to  
20 come back in two days and deal with this.

21 I have read all the materials on this.  
22 And my feeling tends to be that I did not hear, as  
23 I was trying to listen to the City, I did not hear  
24 any new issues raised that were not dealt with in  
25 the background or your order on findings and

1 conclusions.

2           However, we are dealing with a  
3 jurisdiction that is important to the process. So  
4 I could support waiting two days, seeing this in  
5 writing, and having staff counsel advise us.

6           COMMISSIONER LAURIE: Mr. Chairman, I  
7 share your view that I did not hear anything, but  
8 then again, with my hearing I hear very little  
9 most of the time anyway.

10           But I really don't want to take the  
11 risk. And I'd rather wait 48 hours than do  
12 something that poses a threat to the project, or  
13 issue an illegitimate decision and have this  
14 project not go at all, or be delayed six months or  
15 a year or more.

16           So, given the fact that we have an  
17 opportunity to meet here again in 48 hours, I  
18 would suggest that that's a good investment in  
19 time.

20           MR. BOYD: Mr. Chairman.

21           CHAIRMAN KEESE: Mr. Boyd.

22           MR. BOYD: If it's going to be the will  
23 of the Commission that you hold off for two days,  
24 I would suggest that the staff, in evaluating  
25 material, also evaluate the June 5, 2001 letter



1       that was addressed to Commissioners Moore and  
2       Rosenfeld that was the substance of Sempra's  
3       testimony at the gas hearing that the Commission  
4       held last week, which raised a lot of questions  
5       about even the staff's analysis of the  
6       availability of gas.

7               In other words, the way I read that  
8       document Sempra, speaking for San Diego Gas and  
9       Electric, which is one of their subsidiaries, is  
10      indicating the availability of gas this year is  
11      likely to be far better than it has been projected  
12      to be in the past.

13             That being the case, one could surmise  
14      that possibly gas curtailments are less likely to  
15      happen now or this summer than has been the case  
16      in the past.

17             Therefore the possibility, and I realize  
18      this is only conjecture, as is anyone's estimate,  
19      is how much oil fired, or how much fuel switching  
20      might occur at any other plants in the area, but  
21      it does raise a question as to whether in doing a  
22      cumulative impact analysis of air quality  
23      ramifications and the public health consequences  
24      thereof, needs to take into account the likelihood  
25      of there being curtailments.

1                   And I'm sure the local Air District is  
2                   struggling with that question, as would be the  
3                   staff. And we have testimony less than a week old  
4                   indicating that things are looking better; in  
5                   fact, those of us who follow gas on a daily basis,  
6                   must conclude that things are looking better  
7                   statewide with regard to the availability of  
8                   natural gas.

9                   So that's another nuance that has to be  
10                  taken into account in dealing with some of the  
11                  questions that some of the folks have put on the  
12                  table.

13                 I mean I appreciate their concerns for  
14                 air quality impacts and public health effects, but  
15                 it well could be that at least with regard to that  
16                 issue we don't have as big an issue.

17                 And I would take a minor exception with  
18                 the idea that a peaker plant, although its heat  
19                 rate is greater than a baseload plant, in the  
20                 period of time that it might be run, that you can  
21                 turn them on and off very rapidly versus having to  
22                 idle a baseload plant.

23                 One would question how much natural gas  
24                 really gets used; what emissions really take  
25                 place. Therefore, it's a very complicated

1 equation in doing such an analysis.

2 MR. MEACHAM: Hearing Board Members, if  
3 I may, it is a very complicated analysis. I would  
4 also, in considering that comment by Sempra, I  
5 hope you will also consider the fact that in 1997  
6 they requested the opportunity to sell natural gas  
7 directly to Mexico and were granted such by the  
8 Public Utilities Commission.

9 In 1998 they started doing that. In  
10 December and January of 2001 we had 13 days of  
11 curtailment. At that time at the PUC they said  
12 that they had more than sufficient natural gas for  
13 the next five years.

14 So, I'm not sure that that's an easy  
15 thing to predict, given the history.

16 MR. BOYD: I assure the gentleman that I  
17 do consider the source. But I consider a lot of  
18 other sources, as well. So, point well made.

19 CHAIRMAN KEESE: I also heard, Mr.  
20 Johnson, a suggestion we might incorporate part of  
21 the Otay Mesa findings into this record. And I  
22 thought that was an extremely good idea.

23 COMMISSIONER LAURIE: And, to the extent  
24 that you find it applicable and relevant.

25 MR. JOHNSON: Commissioners, we're going

1 to need to see that cumulative air impacts  
2 analysis this afternoon if we're going to have any  
3 comments by Wednesday --

4 CHAIRMAN KEESE: Well, is there any  
5 chance that we would see that this afternoon? Mr.  
6 Spear?

7 MR. SPEAR: I'm sorry, I missed the  
8 question.

9 CHAIRMAN KEESE: The Commission is  
10 considering putting this over for two days to our  
11 regularly scheduled hearing Wednesday at 10:00  
12 a.m.

13 Is there a possibility that we would see  
14 your decision by then?

15 MR. SPEAR: Actually, our cumulative  
16 analysis was already sent to you via fax.

17 CHAIRMAN KEESE: This morning?

18 MR. SPEAR: This morning about 11:00  
19 a.m.

20 MR. JOHNSON: And who did you fax it to?

21 MR. SPEAR: I faxed it to contact with  
22 you, actually went to Sacramento, a (916) number.

23 MR. BOYD: To an individual or --

24 CHAIRMAN KEESE: Okay, we will -- if we  
25 can't find it we'll come back to you.

1                   MR. SPEAR: I'll be glad to send another  
2                   copy.

3                   CHAIRMAN KEESE: That might be helpful,  
4                   attention Roger Johnson.

5                   MR. SPEAR: All right, I will do that.

6                   CHAIRMAN KEESE: Thank you. Shall we  
7                   just put this over, or do we --

8                   COMMISSIONER LAURIE: Mr. Chairman, I  
9                   would move that this matter be continued to  
10                  Wednesday, June 13th, at a time certain, depending  
11                  upon the applicant's availability.

12                  And I would ask the Executive Director  
13                  to take action to add it to the agenda,  
14                  recognizing that the Commission's got to vote to  
15                  add it on Wednesday.

16                  CHAIRMAN KEESE: It's a continuation, I  
17                  think we're okay.

18                  MR. CHAMBERLAIN: Commissioner Laurie,  
19                  yes, we don't need to vote in this case because  
20                  we're --

21                  COMMISSIONER LAURIE: Okay, great. And  
22                  if staff has an opportunity to prepare a written  
23                  response to the City's comments, I would ask that  
24                  that written response be made available to the  
25                  City and the applicant, as well.

1 MR. MEACHAM: Thank you very much.

2 CHAIRMAN KEESE: Thank you.

3 Commissioner Laurie has moved that this be  
4 continued until our meeting on Wednesday. Do I  
5 have a second?

6 COMMISSIONER ROSENFELD: Second.

7 CHAIRMAN KEESE: Second by Commissioner  
8 Rosenfeld. Any serious objections raised?

9 Hearing none, all in favor?

10 (Ayes.)

11 CHAIRMAN KEESE: Opposed? It's moved  
12 until Wednesday.

13 Do we have any other issues to come  
14 before the Commission?

15 MR. JOHNSON: Commissioner, you're going  
16 to do a time certain for Wednesday, did you agree?

17 CHAIRMAN KEESE: You can have a  
18 discussion with the applicant and see what --  
19 something. 10:00, we'll take it up first, after  
20 the consent calendar, that is.

21 Executive Director? Chief Counsel's  
22 report? Do we have anything?

23 MR. CHAMBERLAIN: Nothing today, Mr.  
24 Chairman.

25 CHAIRMAN KEESE: Any other Commissioners

1           have anything?

2                   Public comment?

3                   Meeting's adjourned.

4                   (Whereupon, at 2:05 p.m., the business  
5                   meeting was adjourned.)

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## CERTIFICATE OF REPORTER

I, VALORIE PHILLIPS, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Business Meeting; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said meeting, nor in any way interested in outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 15th day of June, 2001.

VALORIE PHILLIPS

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